INTERLOCAL AGREEMENT TO PROVIDE AN EXERCISE PROGRAM

This Interlocal Agreement (hereinafter, "Agreement") is made between Public Hospital District No. 2, Snohomish County, Washington and the City of Edmonds to provide an Exercise Program.

1. PARTIES

- 1.1 Public Hospital District No. 2, Snohomish County, Washington, a public hospital district formed under Chapter 70.44 RCW, is hereinafter referred to as "PHD2";
- 1.2 The City of Edmonds, a Washington municipal corporation, is hereinafter referred to as "City"; and
- 1.3 Hereinafter, PHD2 and the City are each referred individually as a "Party" and collectively as the "Parties".

2. PURPOSE AND PROGRAM

- 2.1 The purpose of this Agreement is to enable the City to provide an Exercise Program ("Program") for the benefit of PHD2 residents.
- 2.2 The Program will provide opportunities for area residents to participate in an exercise program to improve their health. The program will have a particular focus on helping seniors with cardio, strength and flexibility to help seniors to live healthy and active lives.

3. AUTHORITY

Chapter 39.34 RCW, Interlocal Cooperation Act, permits Washington State public agencies to enter into agreements to engage in cooperative activities. PHD2, a public hospital district, and the City, a Washington municipal corporation, are both Washington public agencies.

4. TERM AND TERMINATION

- 4.1 The Program shall commence on or about February 1, 2014, and continue through January 31, 2016.
- 4.2 The Agreement shall become effective upon the date this Agreement is executed by the Parties.
- 4.3 The Agreement shall terminate upon PHD2's receipt of the final report generated by the City and accepted and approved by PHD2, which is scheduled for February 15, 2016.

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4.4. Either Party may terminate the Agreement for any reason upon sixty (60) days written notice to the other Party. If the Agreement is terminated pursuant to this provision, the City shall dispose of all assets acquired pursuant to the Agreement and remit to PHD2 the funds from such sale, less the costs of the sale. If the Agreement terminates pursuant to Section 4.3 above, the assets purchased pursuant to the Agreement shall be handled as set forth in Section 6.2, below.

5. OBLIGATIONS OF PHD2

5.1 PHD2 will fund the Program provided by the City based on the following budget:

	Funds from PHD2
Fitness room equipment purchases including cardio, muscle strength, and flexibility equipment needed for exercise program	\$39,513
Total	\$39,513

5.2 PHD2 shall pay the City for Program costs in one lump-sum payment of \$39,513 on February 15, 2014. No additional payments by PHD2 are scheduled for the Program.

6. OBLIGATIONS OF THE CITY

- 6.1 The City shall install new exercise equipment and provide associated programming using the equipment and facility in Edmonds on or before February 15, 2014. The Program shall provide opportunities for area residents to participate in strength, cardio, flexibility, and other health and wellness activities. The program will have a particular focus on helping seniors to live healthy and active lives.
- 6.2 PHD2 Program funds in the amount of \$39,513 shall be used by the City to upgrade its exercise equipment. Purchases of equipment using PHD2 Program funds must remain dedicated to the Program's purpose for the useful life of the equipment. If the assets are disposed of prior to the end of their useful life, any surplus funds, after the cost of sale, shall be remitted to PHD2. The City shall be responsible for ongoing maintenance of the equipment.
- 6.3 The City shall track and measure the results of the Program, including the number of participants using the equipment through the program and the number of organized classes scheduled using the equipment.
- 6.4 The City shall submit progress reports of activities carried out under the Program, including summaries of outcomes and results and financial reports detailing use of the funds, in accordance with the following schedule:

Date due to PHD2	Type of report
August 1, 2014	6-month progress report
February 1, 2015	Annual report and financial statements
February 15, 2016	2nd annual report and financial statements

- 6.5 The City shall maintain records of receipts and expenditures and make its books available to PHD2 at any time, upon reasonable notice, during regular business hours.
- 6.6 The City shall use the Program funds provided by PHD2 only for the Program. Any unused Program funds remaining at the termination of this Agreement shall be refunded to PHD2 on or before February 15, 2016.
- 6.7 The City recognizes that PHD2 is a public agency subject to audit by the Washington State Auditor. The City shall provide PHD2 with any public record(s) in its possession that PHD2 requests be provided to the Washington State Auditor, to the State of Washington, or to the Federal Government.
- 6.8 The City shall comply with all local, state and federal laws including, if applicable, the federal Health Insurance Portability and Accountability Act ("HIPAA").
- 6.9 During the term of this Agreement, the City shall consider suggestions by PHD2 for modifications to the Program that may result in more favorable health outcomes of the participants.
- 6.10 The City shall give credit (logo or language) to PHD2 in its publicity vehicles for the Program, including, but not limited to, programs, news releases, print advertising, electronic advertising and facility signage. Credit should also be given to PHD2 in any newspaper interviews about the Program enhancements. Electronic communications/websites should also include a link to PHD2's website. The use of PHD2's logo, when appropriate, is encouraged. PHD2 can provide black-and-white or color versions in digital format.

7. MISCELLANEOUS PROVISIONS

- 7.1 Relationship of the Parties and No Third Party Beneficiary. The relationship created between PHD2 and the City is strictly that of independent contractors. The Agreement creates no partnership or joint venture between the Parties, nor any separate legal or administrative entity, nor may any officer or employee of one Party be considered to be an employee or agent of the other. Further, the Agreement provides no rights to any third party and may not be relied on by any other person or entity.
- 7.2 <u>Administration</u>. The Agreement shall be administered jointly by PHD2 and the City under the supervision of PHD2's Superintendent and the City's Parks, Recreation and Cultural Services Department's Recreation Manager.

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- 7.3 Applicable Law. The Agreement is entered under the laws of the State of Washington. Any litigation arising from this Agreement must be filed in Snohomish County Superior Court.
- 7.4 <u>Liability and Insurance</u>. The City will indemnify, defend and hold PHD2 harmless from any claims, lawsuits or other actions, and judgments arising in any way from the Exercise Program provided under this Agreement. The City will maintain a liability insurance policy of at least \$1,000,000 per occurrence during the term of this Agreement.
- 7.5 Entire Agreement; Amendments. This Agreement is complete and integrates all understandings between the Parties. No amendment or other change to the Agreement will be binding on either party unless agreed to in writing and signed by each Party.
- 7.6 <u>Severability</u>. If a court of competent jurisdiction rules any part of this Agreement to be invalid, the remainder of the Agreement will still be in full force and effect.
- 7.7 <u>Force Majeure</u>. Neither Party will be in default or liable for failure to perform its obligations under this Agreement if that failure is due to causes beyond its reasonable control including, but not limited to, acts of God, acts of terrorism, fires, floods, windstorms earthquakes, labor disputes or governmental acts.
- 7.8 <u>Notices and Reporting</u>. Any notice or reporting required or otherwise given under this Agreement will be considered delivered or given when actually delivered or forty-eight (48) hours after being deposited in the U.S. Mail as certified mail addressed to the following:

To PHD2:

Carl Zapora, Superintendent Public Hospital District No. 2, Snohomish County PO Box 2606 Lynnwood, WA 98036

To The City of Edmonds
City of Edmonds
Attn: Renée McRae, Recreation Manager
700 Main Street
Edmonds WA 98020

7.9 <u>Assignment</u>. This Agreement may not be assigned without the written consent of the other Party. Each Party may consent to or decline a request for assignment by the other Party at the sole discretion of the Party from which consent is requested.

7.10 Duty to File Agreement with County Auditor. The City shall, within ten (10) days after this Agreement is executed by both Parties, file this Agreement with the Snohomish County Auditor or, alternatively, list it by subject on its website or other electronically retrievable public source as provided in RCW 39.34.040.

PUBLIC HOSPITAL DISTRICT NO. 2 SNOHOMISH COUNTY, WASHINGTON

By: Carl Zapora, Superintendent

Date: _________

CITY OF EDMONDS

David O. Earling, Mayor

Date: 3.8.14

ATTEST/AUTHENTICATED:

Scott Passey, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney